LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7176 NOTE PREPARED: Jan 4, 2009

BILL NUMBER: HB 1227 BILL AMENDED:

SUBJECT: User Fees for Public Safety Runs.

FIRST AUTHOR: Rep. Hinkle BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ & FEDERAL \end{array}$

<u>Summary of Legislation:</u> Additional User Fee/Service Charge- The bill authorizes the fiscal body of a municipality to impose a user fee or service charge for an emergency response or other service run: (1) that is made by a municipal law enforcement department, municipal fire department, or municipal ambulance service or emergency medical service to a dwelling, business, or other structure that is located in unincorporated territory of a county; and (2) that is not required by, governed by, or subject to a contract or agreement under which the municipality is entitled to compensation by another political subdivision or any other entity or individuals for the emergency response or service run.

Fee/Service Charge Limit- The bill provides that the amount of the user fee or service charge may not exceed an amount reasonably related to the reasonable and just cost of conducting the emergency response or service run.

Civil Action as Remedy for Unpaid Fees- The bill specifies that a municipality may collect any such user fee or service charge that is unpaid in the same manner as delinquent taxes are collected or by bringing a civil action.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues: Civil Action as Remedy for Unpaid Fees- If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case

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is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures:

<u>Explanation of Local Revenues:</u> Additional User Fee/Service Charge- If more user fees and services charges are levied, this provision would have an unknown increase on local revenues. The amount of additional revenue would depend on local municipal action.

Civil Action as Remedy for Unpaid Fees- If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Municipalities, trial courts, city and town courts.

Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.

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